

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
HARDIN COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2004
Through June 30, 2005**



**CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS
www.auditor.ky.gov**

**105 SEA HERO ROAD, SUITE 2
FRANKFORT, KY 40601-5404
TELEPHONE (502) 573-0050
FACSIMILE (502) 573-0067**



CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Robbie Rudolph, Secretary
Finance and Administration Cabinet
The Honorable Teri Bennett
Hardin County Property Valuation Administrator
Elizabethtown, Kentucky 42701

We have performed the procedures enumerated below, which were agreed to by the Hardin County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution, receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for period July 1, 2004 through June 30, 2005. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Hardin County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA had a receipts ledger, a disbursements ledger, and reconciled bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2005), to determine if amounts are accurate.

Finding -

Auditor determined PVA maintained a receipts ledger, a disbursements ledger, and reconciled bank records each month. Amounts appear accurate on year-end (June 30, 2005) bank reconciliation.

2. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Auditor confirmed payment amounts per phone conversations and compared to PVA receipts ledger. Amounts appear to be properly recorded. List of city receipts appears to be complete.



Robbie Rudolph, Secretary
Finance and Administration Cabinet
The Honorable Teri Bennett
Hardin County Property Valuation Administrator
(Continued)

3. Procedure -

Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Compared the budgetary statutory contribution by fiscal court with the amount calculated by the Department of Revenue. Amounts were traced to PVA's local bank account without exception.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure was for official business. Review all credit card statements (if any) to determine if expenditures were for official business.

Finding -

Based on testing performed, selected disbursements agreed to cancelled checks, invoices, and supporting documentation. Expenditures were determined to be for official business. Credit card statements were reviewed and expenditures for official business were noted and paid for from the official's account.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

Based on review of the disbursements ledger, cancelled checks, supporting documentation, and observation of office, auditor determined capital outlay disbursements were made. It appeared proper purchasing procedures were followed, and that assets were added to official's inventory list.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

Based on testing performed, it appears services were appropriate, for business purposes, and properly authorized. Payments were traced to disbursements ledger and bank statements.

Robbie Rudolph, Secretary
Finance and Administration Cabinet
The Honorable Teri Bennett
Hardin County Property Valuation Administrator
(Continued)

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

Auditor compared budget to actual and determined PVA overspent in 3 account series. We recommend the PVA request a budget amendment as necessary.

PVA's Response -

I requested and received a budget amendment at the end of the fiscal year to cover this. I will request amendments when needed in the future.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

Based on testing performed, bank deposits were sufficiently collateralized at June 30, 2005. However, at November 19, 2004 (First Federal Bank's high deposit date), deposits were not sufficiently collateralized. Auditor recommended the official request additional pledges for this account.

PVA's response -

I was not told by bank personnel that I should have pledges to cover deposits, nor that I could request additional pledges as necessary.

9. Procedure -

Determine whether timesheets were completed, maintained, and supported hours worked.

Finding -

Auditor reviewed timesheet process and determined timesheets were completed, maintained, and supported hours worked.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Robbie Rudolph, Secretary
Finance and Administration Cabinet
The Honorable Teri Bennett
Hardin County Property Valuation Administrator
(Continued)

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen
Auditor of Public Accounts

Engagement fieldwork completed -
November 8, 2005

